

From: Jeff Wilson, Vice President and CFO <vpaf@sfsu.edu>
Sent: Wednesday, June 30, 2021 10:30 AM
To: SF State Staff and Faculty
Subject: Budget Update

Dear colleagues,

You likely read this week that the 2021-22 state budget, which lawmakers approved, includes a significant investment in the California State University. We are deeply grateful for the state's reinvestment in the CSU. This investment includes restoration of last year's budget reduction, an expansion of Cal Grant eligibility, increased financial aid, and enhanced support for basic needs and other student well-being initiatives.

The budget also includes an unprecedented amount of one-time funding that will address important infrastructure needs across the system, which will benefit students and entire campus communities. This, combined with federal one-time relief funds, will allow us to return to campus safely in the fall, and make needed improvements in our infrastructure. It is important to remember that none of these funds can be used to hire staff or faculty as they are only one-time.

We do not yet know how this budget will specifically impact San Francisco State. Prior to the pandemic, we faced a budget deficit in the fall of 2019 that required the use of University reserves to meet our obligations. And our ongoing enrollment challenges continue to impact campus funding as tuition and fees comprise approximately half of our budget.

Difficult and often painful work was undertaken last year to address budget challenges. We used University reserves to balance the 2020-21 budget, and it is likely we will need to do so again as our expenses continue to exceed our revenues. University cabinet areas were asked to build flat budgets. In the coming weeks, we expect more clarity around how the budget will directly impact SF State, and we will provide updates as details become available.

The 2021-22 state budget signals our state's continuing commitment to the importance of higher education and should be celebrated. We are grateful to the legislature, the governor, and all who advocate on behalf of our students and our campuses.

Have a great summer, and I look forward to seeing you on campus.

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